

Indiana Economic Development Corporation

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October 15, 2009

Preston Black
Director
Office of Legal Affairs

Mr. Black:

Pursuant to IC 4-22-2-28, the Indiana Economic Development Corporation ("IEDC") has reviewed the economic impact analysis for small business associated with rule changes proposed by the Indiana State Department of Health ("ISDH") contained in LSA Document 09-07. The proposed rule amends 410 IAC 6-8.1 and replaces rules concerning residential sewage disposal systems. The new proposed rule implements appropriate provisions mandated by state statute. The proposed rule also updates minimum statewide criteria for construction, location, and sizing of residential onsite sewage disposal systems, based on both on the number of bedrooms in a home and the type of soil available to absorb water. As with the previous rules, this rule requires a property owner to obtain a permit from the local health officer for installation of a residential sewage system.

This rule impacts manufacturers of onsite sewage disposal system tanks and onsite sewage system installers. The economic impact statement provided by ISDH states that there are 44 tank manufacturers and 500 onsite system installers that qualify as small businesses as defined by the Indiana code and will be affected by this rule.

According to the statement provided by ISDH, costs incurred as a result of the proposed rule will only impact two tank manufacturers. The ISDH anticipates the highest maximum cost incurred by any small business, as a result of the proposed rule, at \$300. No other tank manufacturer reported any economic impact. The onsite system installers affected by the proposed rule will not experience any economic impact. Additionally, there are no record keeping, reporting or administrative costs that will be incurred as a result of this rule.

The IEDC does not object to the economic impact to small businesses associated with this rule. The ISDH has proposed a rule that mitigates the cost of compliance while being stringent enough to promote consumer protection and comply with applicable statutes. If you have any questions about the comments contained herein please contact me at 232-8962 or <a href="reserve@iedc.in.gov">reserve@iedc.in.gov</a>.

Regards,

Ryan Asberry

Assistant Vice President